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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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FAVORABLE SEASON—UNFAVORABLE MARKETS

The new growing season is opening up fairly well, with field work well advanced and the main crops showing a reasonably promising start. Some effects of the hard winter are still evident in spotted wheat fields and reduced crops of peaches and some other fruits. However, cotton, corn, potatoes, and other principal crops have been planted under generally favorable conditions and the grass crop has made rapid growth following the late May rains.

The mid-season crops are coming along now with prospects of abundant supplies of potatoes, cantaloupes, watermelons, and tomatoes, but with probable limited shipments of peaches, onions, and cabbage.

Winter wheat is headed and in the South is beginning to ripen. The straw is short and the stands thin in portions of the Ohio Valley, Texas, Oklahoma, and southern Kansas. More fields were abandoned this spring than last, though not more than in the average season. The early estimates have indicated a crop of hard winter wheat around 5 per cent less than last year and of soft red winter some 13 per cent less.

Spring wheat has grown rather slowly, due to cool weather, but it looks promising, on the whole. The crop has made a favorable start in Canada also, though lack of subsoil moisture in Saskatchewan and Alberta will make the crop somewhat dependent on summer rains.

The continued weak market for wheat, as harvest time approaches, naturally is depressing to the West. Growers are hopeful but not cheerful. The hopes are largely grounded in the possibility that small supplies in Argentina and shrinking stocks in Europe and the Orient may lead to increased exports from this country during the summer.

The low price of wheat reflects a world-wide condition of declining commodity prices, business recession, unemployment, and reduced purchasing power, all of which has operated to the disadvantage of many producers of commodities entering into international trade, including American wheat, cotton, and pork.

Moreover, we seem to have a problem of curtailed consumption within this country and it is apparently being felt in the markets for cattle, butter, eggs, lambs, wool, and certain vegetables. Farmers generally appear to feel that the 1930 market situation so far leaves a good deal of room for improvement.

THE FRUIT AND VEGETABLE SITUATION

Very low temperatures during the winter and severe frosts in the spring caused much damage to tree fruits. Apples, peaches, and some other fruits will not be in such heavy supply as originally indicated. Condition of the southern peach crop was low. On the other hand, there are prospects of liberal market supplies of cantaloupes and watermelons, with increased acreages of these products which compete somewhat with soft fruits. Crop reports indicate an abundance of tomatoes during June, but shipments of onions and cabbage may be rather limited. Potatoes promise to be abundant, particularly from the Carolinas, Virginia, and the Middle West. Lower prices usually are the rule for potatoes during the peak of the eastern movement. The season for old potatoes was closing with a record of heavy shipments and with fairly satisfactory returns.

RATHER LIGHT PEACH PROSPECTS

Present prospects are for a rather light crop of peaches in the important commercial areas. Markets should be favorable, especially in view of the rather moderate supplies of other tree fruits which are now in sight. Competition of cantaloupes and watermelons, however, may be rather severe.

In 10 Southern States, which market their peaches early in the season, condition of this crop on May 1 averaged only 45 per cent of normal, compared with 67 per cent a year ago and a 5-year average condition of 66 per cent in May. Indications are for a crop of 11,668,000 bushels in this group of States. This would be about equal to the short crop of 1929 and 35 per cent lighter than the 5-year average for the group. Heavier production than last season is expected in the five coastal States from North Carolina to Alabama, but in the five States farther west prospects are for a crop much below that of 1929. Winter injury was especially severe in Arkansas and very little commercial production is now expected in that State. It is doubtful whether Arkansas will have more than 100,000 bushels of peaches, compared with 2,635,000 last season, and Texas expects but little more than half its 1929 crop or about 1,122,000 bushels. Peaches in Oklahoma have fared almost as badly as those in Arkansas.

North Carolina expects 1,900,000 bushels, or nearly an average crop. If Georgia produces 5,600,000 bushels, as now anticipated, it will have about twice as many as last season but one-third less than the 5-year average for that State. South Carolina and Alabama, with possibly 1,000,000 bushels each, would have double their light 1929 crops. Unfavorable weather conditions during the winter and spring have reduced the production prospects in many other peach States. In Pennsylvania, Maryland, and Virginia possibly less than half a full crop will be harvested. Ohio expects very few peaches and Michigan only a moderate crop. Tennessee may have 40 per cent as many peaches as last year, and the 1929 crop in Tennessee was relatively light.

Farther west the situation is very irregular. Recent low temperatures on the western slope of Colorado caused much damage. Preliminary estimates indicate around 2,000 carloads available this season on the western slope, or slightly more than last year's Colorado shipments. Conditions in Utah are spotted, but the total crop may

be as large as that of last season. Peaches in the Yakima Valley of Washington were winterkilled and only one-half to two-thirds of a crop is expected in the Wenatchee district. Production in Oregon also will be considerably reduced. A fairly good crop of freestone peaches is anticipated in California. Two of the leading varieties of clingstones were dropping heavily, so that the outlook for clingstone peaches in California is still uncertain.

Present expectations are for about 7,600 carloads of this fruit in Georgia, or 44 per cent more than last season's very light shipments, but this would still be a much smaller movement than in any other year since 1922. Some local estimates indicate that only 5,000 cars may be shipped. Mayflowers were expected to begin moving in small lots before June 1, but production of this variety will be almost negligible. No important movement is expected until Uneedas are ready for picking. The crop of Early Rose peaches will be light.

Winter damage was severe in parts of Georgia, but most of the fruit remaining should be of good size. Vigorous measures have been taken to control curculio injury. With strict grading and packing regulations, Georgia growers and shippers may yet have a fairly profitable season. Prices last year were unusually high, because of the very light production of this fruit. Present prospects are for approximately 3,700 cars of Elbertas in Georgia, as against 2,900 last season, and 2,600 cars of Hileys, compared with 1,200 carloads in 1929. Georgia Belles and late varieties are expected to show a 25 per cent increase. Movement in general will be later than last season, but should reach its peak in Georgia by early July.

MELON MOVEMENT DELAYED

Initial shipments of watermelons last year were made about April 20, but movement of the current season did not begin in Florida until around the middle of May, followed shortly by first shipments from southern Texas and the Imperial Valley of California. In view of the lighter production prospects in some Southern States this year, marketing conditions during the early part of the season may be more favorable. Demand and prices, however, depend greatly upon weather conditions in important terminal markets. Low temperatures usually retard the sale of watermelons. Imperial Valley has a heavy crop of cantaloupes, which will compete actively with watermelons in consuming centers.

Condition of the melon crop in eight States during early May averaged 74 per cent of normal, or 6 points lower than a year ago. Florida probably will have about 9,000,000 melons, as against 11,635,000 in 1929. Imperial Valley growers look for a crop of 7,600,000 melons, or about 1,300,000 more than last year, but these western melons do not compete in eastern markets.

Acreage in seven second-early States is estimated to be 3 per cent greater than last season and 13 per cent above the 5-year average for this group. Contrary to original expectations, Georgia now shows a slight increase over its 1929 plantings and South Carolina an increase of nearly one-third. Texas and Alabama report considerable reductions of acreage. Even with yields slightly below average, the large acreage in the second-early group as a whole may result in a bumper crop of watermelons after the Florida season.

Planting intentions in the late-shipping States show prospects of a 25 per cent increase of acreage over that of 1929, which would mean the heaviest plantings since 1926. The total acreage in this group may be 10 per cent above their 5-year average. Missouri probably is the most important of the late States, and the expected 9,460 acres of watermelons in Missouri would represent an increase of two-thirds over its 1929 plantings of this crop. July usually is the month of heaviest shipments, though June proved to be the most active month in the 1929 season.

THE OUTLOOK FOR OTHER CROPS

Potatoes usually decline in price during early June, when both South and North Carolina are shipping and Virginia soon ready to market its crop. Dry weather greatly injured crop prospects in several of the Eastern States. Producing sections along the Atlantic seaboard expect lighter production than in 1929, though timely rainfall may yet change the situation. Growing conditions have been more favorable in the potato area of the Mississippi Valley and as far as Nebraska. The market for new potatoes has been quite encouraging, the Florida crop showing good returns per barrel. But car-lot shipments during June are likely to be quite liberal and a downward tendency of prices is not unusual at this time of the year. Old potatoes were closing at a fairly satisfactory price level.

Tomatoes were in a rather firm position during May, in spite of a very active movement from the Rio Grande Valley of Texas and from Florida. Mississippi, and eastern Texas, South Carolina, and Tennessee are leading sources during the next month or six weeks, and increased acreage in those States may mean heavy market supplies, unless drought has cut the crop. Acreage of tomatoes for manufacture may be one-fourth greater than last year.

Onions may be in rather moderate supply, since the southern Texas crop is out of the way. Southern California still had quite a number of cars to move, but the Collin County crop in northern Texas may be limited and other sources during June are not of great importance. Southern Texas had a most discouraging season, because of the heavy crop and lack of market demand. Prices were down to 75 cents per crate at shipping points but advanced somewhat before the close of the season. Market conditions have improved.

Cabbage plantings are much lighter than those of last season and the car-lot movement has been lagging behind 1929 records. The price situation showed much improvement during mid May, after a long period of dullness, but warm weather does not help the cabbage market and conditions during June are rather uncertain. The favorable feature is the lighter production prospects.

Strawberries were closing a season which showed light shipments and fairly high prices, though quality of much of the crop was inferior. The returns for good berries were quite satisfactory.

PAUL FROEHLICH,
Division of Fruits and Vegetables, B. A. E.

CONDITIONS IN THE CATTLE INDUSTRY

At this period of the year when cattle are again on grass, either in pastures or out on the range, most cattlemen, either growers or finishers, are interested in knowing what the recent developments have

been in the business as an indication of what may happen during the coming months.

On the whole, cattle in the Western States came through the past winter and spring in very good shape and losses were probably somewhat below average. In view of the rather unfavorable outlook last fall for range feed and the reduced supplies of hay and forage in most of these States, cattlemen can consider themselves fortunate that conditions this spring are thus favorable.

The past winter in the Western States was an unusual one—one calculated to keep cattlemen on the anxious seat a good bit of the time, worried as to what the next few weeks might bring forth. Severe winter weather came early, especially in the northern range area. Heavy snow and low temperatures in November forced considerable feeding during this month, when feeding is usually unnecessary, and by the end of the month it was certain that if such weather continued through the winter, feed supplies would be entirely inadequate and losses would be heavy. Early December, however, brought a welcome change and the month was unusually open and mild. But there followed one of the coldest Januaries on record over the eastern part of the area, extending from Montana to southwestern Texas. It was particularly hard on cattle in Texas in sections where continued cold and snow are not usually experienced and where feed supplies this year were short.

February, fortunately, brought another reversal in conditions, and this month and most of March were as unusually mild as January was severe. Over most of the western area the spring was several weeks early and cattle were turned on grass earlier than usual. In Texas and Oklahoma, however, the spring was very dry and feed made a poor start and became very short. But late April rains relieved the condition and May rainfall has been more than ample to insure good feed for early summer. In some sections cattle became very thin and, except where cake feeding was generous, considerable losses of spring calves were experienced. Cattle going to Kansas and Oklahoma pastures from Texas were in poorer condition than in most years.

In some sections of Montana and North Dakota, where feed was short, cattle came through the winter in rather poor condition and losses were probably above normal. In most of the other States the reported condition of cattle on May 1, was above May 1, 1929, and above the 5-year average condition for that date.

Trading in cattle is reported to have been on a very limited scale this spring in most Western States, with no evidence of the speculative activity so prevalent two years ago. While most cattlemen are fairly optimistic as to the prospects for the next few years, the general unfavorable business situation and the weaker tendency of the cattle market in recent months have begotten a rather conservative attitude on the part of both cattle producers and financial interests toward both short and long time operations.

Conditions in the finishing end of the cattle business during the first five months of this year have been, to a considerable extent, a reversal of what they were a year earlier. The seasonal trend in prices during this period has been contrary to the usual trend for most kinds of cattle, and feeders who based their operations on the assumption of usual seasonal trends have been disappointed.

In 1929 cattle prices declined rather rapidly during January and February and reached the low point of the winter and spring toward the end of the latter month. During April and May prices made a rather substantial advance, which was larger than the usual seasonal advance on low-grade cattle and opposite to the usual downward tendency of prices of better grades during these months. Feeders who marketed their cattle during the low period in February and March usually made little if any profit, but cattle marketed after the middle of April made a better showing.

This year the cattle market was fairly strong during January, February, and March, and at the 1st of April most kinds of fed cattle were about as high as at the beginning of the year. Cattle marketed during these months on the whole probably made some profit.

During April and May the cattle market weakened materially, and by the third week in May had reached a level below the low point reached in February, 1929. This decline affected low-grade cattle even more than the better grades, with the result that common and medium beef steers and butcher cattle, which are usually at the high point of the year about the end of May, were considerably below the level prevailing early in January. Feeders of low-quality cattle, who usually show better results on their operations on cattle marketed from April to June than do feeders of good-quality cattle this year find themselves in a relatively less favorable situation. Profits from most fed cattle marketed in May this year were small or entirely lacking.

To a considerable extent the strong cattle market during February and March this year was due to the broad country demand for stocker and feeder cattle. During the first quarter of this year shipments of such cattle from markets into the leading feeding States were nearly 50 per cent greater than in 1929 and the largest for the period in five years. While receipts of cattle at seven leading markets during this quarter were over 2 per cent larger this year than last, inspected slaughter was 2 per cent smaller. This large movement was apparently due in part to early purchases of cattle needed for summer grazing. Large hay supplies and low-priced feed grains made such purchases seem advantageous, in view of the high prices prevailing for such cattle in April and May, 1929.

The demand for such cattle fell off considerably in April and May this year, shipments for these months being about 10 per cent less than last year. At the same time prices declined steadily at a period when they usually advance and by the middle of May were at the lowest level since the first of the year, whereas they are generally at the highest level of the year at that time. This falling off in demand for such cattle reflects in part the weakening of the fat-cattle market and in part the heavy early purchases. In spite of the low prices of feedstuffs, it does not seem probable that any saving was made through these early purchases.

The finish of the cattle marketed this year to date appears to be somewhat below that of a year earlier. The proportion of choice steers at Chicago has been much smaller this year than last and the proportion of common beef steers somewhat larger. Reports from slaughterers show that the proportion of cows slaughtered to date this year is no larger, if as large as last year, with the actual number slaughtered less. Calf slaughter for the first four months of this year was practically the same as for the same period in 1929. These

figures do not indicate that there has been as yet any liquidation in the dairy industry, either through closer culling of old or undesirable cows, or in vealing more heifer calves. At the same time prices of low-grade cows have been declining steadily and in May such cows at Chicago reached about the lowest level since 1927.

Until the end of February the business depression apparently had little effect on the consumer demand for beef or other meats. Both cattle and hog prices were relatively strong during most of the past winter reflecting conditions in the wholesale market for beef and hog products. Since March, however, the results of reduced purchasing power have become more and more evident in the meat trade. With smaller slaughter of hogs, cattle, and calves in April and probably in May this year than last, prices have been considerably lower for each kind of stock this year. While lamb supplies since January have been very large and prices low, recovery from this low level of prices during the last half of May was not great even though supplies decreased to about last year's level. This also indicated reduced consumer demand for meats.

While the supply of cattle during the coming summer and fall will be, as always, the principal factor in determining prices, consumer demand for beef and conditions in the wholesale meat markets will probably have more than usual influence in the price situation. Since improvement in consumer demand will tend to lag several months behind improvement in the industrial situation, it is apt to be well toward the close of the year before much improvement in consumer demand for beef can be expected.

The number of cattle on feed for market in the Corn Belt States April 1 this year was estimated as 3 per cent larger than on April 1, 1929. The number of cattle in these States that can be grain finished during the last half of 1930 is considerably larger than a year ago. How many of these will be so finished will be determined largely by the trend of cattle and feed prices during the next two months and prospects for corn production in 1930.

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MAY HOG MARKETS

Hog prices have held rather steady for two months. During this period the weekly average at Chicago fluctuated around the \$10 level. A decline of about a dollar in March was followed by a recovery of 40 cents during the first half of April, but this advance was practically all lost in the second half. So far this month there has been but little price change.

Since the third week in February average weekly prices have been below those of the same weeks of the year previous. From November to February they were above last year. The April average was down \$1.40 from last year but last week's average was only about 75 cents lower than a year ago.* Although prices during the past 12 weeks have been lower than in the same period of 1929 slaughter supplies until recently have been smaller than last year. Both March and April showed reductions of around 7 per cent. During the first two weeks of May, however, slaughter at the nine

important centers was 11 per cent greater than a year ago. This indicates that total slaughter for this month apparently is going to be larger than in May last year. An increase for this month over a year ago was not unexpected, however, as the pig survey last fall indicated that we probably would have more hogs marketed in May and June than were marketed in those months last year.

Slaughter supplies have been increasing each week since the low point reached the third week in March, and they probably will continue to increase for the next three or four weeks. Usually after the first or second week in June supplies fall off until about the middle of September. Last summer the seasonal reduction in slaughter supplies was not as great as usual, and total marketings for the period were not only larger than usual but were much greater than were expected. Storage supplies carried into the summer also were much larger than average. These large storage supplies, together with the large increase in slaughter, resulted in more pork products being forced on the market than could be sold except at sharp price reductions. The summer rise in hog prices last year, therefore, was brief. Prices turned down in mid July, instead of continuing upward into September or early October as they frequently do.

Evidence as to whether slaughter supplies this summer will be a smaller, or larger, than average proportion of the total for the crop year ending with September is conflicting. On the basis of corn supplies we would expect the summer slaughter to be a smaller than average proportion of the crop-year total. The relationship of corn prices to hog prices in recent months, however, indicates that the summer slaughter might be a larger than average proportion of the total. Assuming that the proportion would be average, the indicated slaughter for the three months, July to September, would show a decrease of more than a million hogs compared with last summer. Assuming that the proportion would be the same as last year, which was above average, the reduction supplies would be over a half million head.

Storage supplies of hog products on May 1 were much smaller than a year ago. Stocks of pork and lard combined were down about 291,000,000 pounds, or 26 per cent. This decrease is the equivalent of 1,800,000 hogs. On the basis of current storage supplies, and the probable reduction in the number of hogs that will be slaughtered this summer, we would have from 15 to 18 per cent less hog products available for market this summer compared with last summer. Such a reduction would result in a price level for hogs this summer much higher than that of last summer, provided demand conditions were the same both years.

It has been very apparent, however, that consumer demand this spring has been much weaker than a year ago. Demand for all meats has weakened considerably since February. Demand for beef in this country appears to have fallen off more than the demand for pork, but the foreign demand for pork seems to have decreased more than the domestic demand. Demand for lard, both foreign and domestic, has been especially weak for more than a year and lard prices throughout the world are on a low level.

The way in which hog prices have held up in recent weeks in the face of increasing market supplies indicates that there is now a strong

undertone to the market and that demand has probably shown some improvement over two months ago. Killers apparently are willing to buy hogs freely on all price dips. Although slight price recessions probably will occur on days of large receipts during the next three or four weeks, no material declines are expected. Beginning sometime in June the summer rise is likely to get under way. The extent of this rise will be influenced by any material changes in the industrial situation. If industrial conditions improve and hog supplies prove to be no greater than now seems likely, the advance probably will carry prices to a higher level than was reached last summer.

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THE EGG AND POULTRY MARKET SITUATION

The egg market for May was nervous and unsettled throughout most of the month. A combination of liberal supplies and a slow demand developed a spirit of uncertainty in the minds of dealers with regard to values, so that considerable irregularity in prices occurred. The strong support afforded the market by the Easter holiday trade in April was absent in May and with a lack of speculative interest, due to the abnormally large storage accumulation of eggs at this season of the year, dealers as a rule were forced to adopt an aggressive selling policy to clear their receipts. As a result of this policy, prices gradually worked to lower levels as the month progressed. On May 1 the top quotation on fresh firsts on the New York market was 24½ cents per dozen and, while a slight fractional advance occurred during the first 10 days of the month, a subsequent decline carried the quotation down to 22½ cents at the time this is written (May 24). During the same period last year a net advance of 1½ cents was obtained.

Supplies in May were more than ordinarily plentiful. Commercial hatcheries and egg-breaking plants did not operate as actively in May as they did earlier in the season, thereby releasing considerable quantities of eggs for market shipment. Receipts for the first 20 days of the month were approximately 82,000 cases, or 5 per cent, larger than for the corresponding period in 1929. With this increase in receipts, and an apparent consumption of 15 per cent under last year, dealers had to send large quantities to storage to clear their floors.

The United States cold-storage report of May 1 showed a continuation of the heavy into-storage movement that has characterized the preceding months of the 1930 season. On that date a total of 5,751,000 cases were reported in storage as compared with 3,952,000 cases on May 1, 1929, and the previous high record for that date of 5,501,000 cases, reached in 1927. Due to a continued liberal production, the slackening up of hatchery and "breaking" operations, and an underconsumption as indicated by a decrease in the trade output in the four principal markets, the into-storage movement since May 1 has also been exceptionally heavy with a net increase of approximately 33 per cent over the net gain made in 1929. According to the weekly report of cold-storage holdings in 26 cities as compiled by the United States Bureau of Agricultural Economics, the into-storage movement

of eggs at points other than the principal markets has been as correspondingly heavy during this period. Undoubtedly the June 1 cold-storage holdings of eggs will set a record for that date also.

The May 1 holdings of frozen eggs likewise showed a substantial surplus over those in storage on that date in 1929. A total of 77,134,000 pounds were reported in comparison with 51,825,000 pounds a year ago. Converted to shell eggs, these figures represent 2,204,000 cases of shell eggs on May 1, 1930, and 1,480,000 cases on May 1, 1929.

In contrast to the egg situation, the dressed-poultry market for May maintained a reasonably steady position, although some fluctuations and slightly downward trend in prices occurred on some classes. The month opened with an active demand and a short supply of freshly killed fowl, but with a later substantial increase in receipts, and an outlet unable to absorb the additional supplies with ease, the market weakened materially and prices declined around 2 cents per pound. The supply of broilers likewise increased liberally after the first of the month, but with a corresponding increase in demand, dealers experienced little difficulty in clearing their receipts at a maintained level of prices.

The frozen-poultry market moved in sympathy with the market for fresh stock. Demand for frozen fowl was reported as less active after the opening of the month, due to increased supply of freshly killed fowl, and dealers were forced to shade quotations to make sales, with such inducements creating but little additional interest on the part of buyers. The movement of broilers, however, was fairly satisfactory, with the smaller sizes in a less favored position toward the latter part of the month as the receipts of freshly killed lightweight stock tended to increase.

A substantial increase in the consumption of poultry in the four principal markets occurred in May. With an approximate increase of 30 per cent in receipts for the month and a 50 per cent increase in the reduction of storage stocks, the consumption of poultry in May was about 33 per cent larger than for May last year. While the rate of increase in the consumption of poultry for May was not quite as large as the rate of increase reported for April, it was, nevertheless, sufficiently high to make quite an inroad on storage holdings, and the June 1 holdings of frozen poultry will in all probability show an ample decrease in the surplus over the holdings for the same date last year.

In spite of the increased rate of consumption for the past few months, the cold-storage holdings of frozen poultry are still large, according to the May 1 cold-storage report. On that date a total of 77,467,000 pounds of frozen poultry of all classes were reported in storage as compared with 52,901,000 pounds a year ago, and a 5-year average of 64,506,000 pounds. The May 1 holdings, however, represented a sharp reduction in stocks during April, the net storage movement amounting to a decrease of 17,366,000 pounds in comparison with a decrease of only 8,458,000 pounds for April, last year. Should the rate of reduction of storage stocks as established in April and May be continued through the remainder of the season, it is more than probable that cold-storage holdings of poultry at the normally low point of the year will be but slightly higher than the average for that date.

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THE DAIRY SITUATION

Standing out foremost in the current dairy markets situation this month is the apparent lack of confidence which seems to have developed during the latter part of May. A month ago sentiment was conservative but the general feeling included at least a trace of optimism. Now, however, butter and cheese markets are unsettled and weak, and sharp price declines have occurred. Fluid milk markets have not shared fully in such a change, although May prices to producers average lower than a month ago and retail prices have dropped in a number of cities, notably New York City, where a drop of 1 cent per quart became effective this month.

Probably one reason for the change of sentiment in butter markets, which has occurred in the face of a lighter production, is the fact that those who store butter are still mindful of the unfavorable season which has just closed and are inclined to hold back until the new season's developments take more definite shape.

Butter production for the year as a whole is below that of last year, but current reports have recently indicated increases in the make each succeeding week, and while this is a reasonable condition to expect at this time of the year, it is doubtless these reports along with information of favorable weather conditions in producing sections, which make dealers and storage operators hesitant for the moment toward beginning this season's operations. The last estimate of butter production, covering April, shows more of a decrease under 1929 than preceding months, a rather important point to keep in mind with reference to the months ahead. The April estimate is 4.3 per cent below April, 1929, March was 3.1 per cent lower, February 1.7 per cent lower, while in January there was practically no change. These four months taken together represent a decrease of about 2.5 per cent, equivalent to approximately 11,000,000 pounds.

The unsettling factor in connection with this, however, is that on May 1 there was a surplus of butter in storage over last year of 17,000,000 pounds, which more than offsets the shortage in production. Total storage stocks of butter on that date were 22,900,000 pounds, compared with a 5-year average of 7,000,000 pounds. A fairly active into-storage movement is already under way, further increasing the surplus and adding to the uncertainty of dealers, some of whom apparently feel that present prices do not discount all factors which may be regarded as somewhat unfavorable by those who must assume the risk of storing.

Cheese production is gaining, instead of losing, the estimated increase in April being 7.6 per cent, making a total increase of 8 per cent for the calendar year, as compared with the same period in 1929. Storage stocks are naturally being added to, despite a favorable increase in trade output, and now approximate those of a year ago, thus being fully ample. As near as can be calculated from available statistics, cheese consumption was very good through March and April, and this helped make the total trade output for the year an increase over 1929. Incidentally, trade output of butter was heavier than last year up to May 1, but seems to have dropped off in the principal wholesale markets during May. It is not possible to determine at this time whether the condition applies elsewhere, as information is not available to show this.

Butter prices are the lowest they have been in May since 1921, and have already gone below the low point reached in February. Cheese prices at Wisconsin primary markets have not been lower than at present since April, 1922, except for a very short period the same month in 1924. The course of prices in the immediate future will depend upon the attitude of those who store butter and cheese, that is, whether they feel that safe levels for storing have been reached.

The recent declines make butter prices almost 10 cents below a year ago, and cheese prices $4\frac{1}{2}$ cents lower. While these differences are unusual, a downward trend nearly always occurs at this time of the year, until a point is reached where active storing will begin. Storing demand forms perhaps the principal support of markets, as the flush season of production gets under way. Ordinarily, prices in May tend to "set the pace" for the summer months, and if such proves to be the case this year, a period of relatively low prices is ahead. During the past several years, prices for the most part did not vary a great deal up to the middle of August from those which prevailed the latter part of May. There have, of course, been exceptions to this, such as in 1924, when prices in August and in September were lower than in May.

Current production is the principal factor of influence on price during the summer, this in turn depending upon weather conditions. The features which will bear close watching are, therefore, the tendency toward active storing, and current production.

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SUMMARY OF DAIRY STATISTICS

[Million pounds, 000,000 omitted]

PRODUCTION

Products	April			January to April, inclusive		
	1930	1929	Per cent change	1930	1929	Per cent change
Creamery butter-----	126	132	- 4. 3	435	445	- 2. 2
Farm butter-----	43	44	- 1. 7	149	152	- 1. 7
Total butter-----	169	176	- 3. 7	584	597	- 2. 1
Cheese-----	35	33	+ 7. 6	107	99	+ 8. 2
Condensed and evaporated milk-----	191	207	- 8. 1	597	627	- 4. 7
Total milk equivalent-----	4,397	4,549	- 3. 3	14,830	15,083	- 1. 7

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Butter-----	178	176	+ 1. 1	643	634	+ 1. 4
Cheese-----	45	42	+ 7. 4	155	153	+ 1. 3
Condensed and evaporated milk-----	163	175	- 6. 8	620	610	+ 1. 7
Total milk equivalent-----	4,591	4,549	+ 0. 9	16,605	16,373	+ 1. 4

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Division of Dairy and Poultry Products, B. A. E.

PRICES OF FARM PRODUCTS

Actual prices received by producers at local farm markets as reported to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

The paragraphs which follow are from this bureau's monthly report on the price situation.

Product	5-year average, August, 1909-July, 1914	May average, 1910-1914	May, 1929	April, 1930	May, 1930
Cotton, per pound cents	12.4	12.7	18.0	14.7	14.5
Corn, per bushel do	64.2	66.2	86.2	78.3	77.7
Wheat, per bushel do	88.4	90.3	90.1	93.4	87.5
Hay, per ton dollars	11.87	12.28	12.15	10.97	10.98
Potatoes, per bushel cents	69.7	69.5	59.5	146.1	150.2
Oats, per bushel do	39.9	41.5	44.6	42.4	40.9
Beef cattle, per 100 pounds dollars	5.22	5.50	9.72	8.65	8.36
Hogs, per 100 pounds dollars	7.23	7.23	9.96	9.17	8.99
Eggs, per dozen cents	21.5	16.7	24.4	21.5	20.0
Butter, per pound do	25.5	24.1	43.6	38.1	37.7
Butterfat, per pound cents			45.4	37.3	36.5
Wool, per pound do	17.7	17.8	31.3	21.4	19.6
Veal calves, per 100 pounds dollars	6.75	6.59	12.11	10.73	9.68
Lambs, per 100 pounds dollars	5.91	6.46	12.79	9.02	8.92
Horses, each do	142.00	144.00	85.00	79.00	79.00

The foreign demand for wheat continues poor but some improvement is probable in the next few months. Crop conditions reported to date do not indicate any material reductions in production such as occurred in Canada last year. The carry-over in the United States will be large but stocks on hand July 1 in foreign countries are likely to be smaller, especially in Argentina. With small stocks in Argentina conditions will probably result in exportations of United States wheat early in the season being larger than last year.

May 1 conditions indicate that the hard winter wheat crop may be about 5½ per cent less than a year ago, and stocks of old wheat remaining in the Southwest are only moderate. Farm stocks are relatively low and the terminal markets, excepting Kansas City, are being fairly well cleared for the new crop. The smallness of the Argentine supplies to be shipped should leave the way clear for exporting from the Gulf ports in June and July much more wheat than was exported from these ports a year ago. The soft red winter wheat crop appears likely to be 13½ per cent less than that of 1929.

This would provide no exportable surplus of this wheat. The white wheat crop is also smaller but the reduction in that crop may be offset in large part by larger stocks on hand in the Northwest. The opportunity for exporting from the Northwest should be at least as good as a year ago. The situation with reference to the spring wheat crops remains to be determined by seedings and growing conditions. Prospects of another good crop in North Africa and in southern Italy indicate that the foreign outlet for durum wheat is not likely to be much if any better than a year ago.

The prospect for the 1930 world wheat crop is quite uncertain. The area reported in 17 countries amounts to 130,000,000 acres, which is 3,000,000 acres, or 2 per cent less than harvested in the same countries in 1929. The corresponding areas in 1929 amounted to over 50 per cent of the total world area as reported for the season. The most significant reduction has been due to heavier winterkilling in the United States. It may be remembered that the area seeded was 43,400,000 acres, about 2 per cent greater than the area seeded for the 1929 crop. However, farmers reported abandonment to May 1 amounting to 11 per cent of the area seeded, in comparison with 6.5 per cent of the area seeded for the 1929 crop. The area reported in 16 foreign countries totals 91,000,000 acres, which is 1,000,000 less than for the 1929 crop. Foreign crop areas may be further reduced. Reports generally indicate some reduction in Canadian spring wheat seedings. An analysis of factors influencing seedings in recent years indicates that the total Canadian area may not exceed 24,000,000 acres, 1,225,000 less than in 1929.

Condition reports and forecasts of crops to date do not provide a satisfactory basis for estimating the total 1930 world wheat crop. The indicated reduction in the winter wheat crop of the United States from 578,000,000 to 525,000,000 bushels is about offset by an indicated increase in the production of India from 318,000,000 to 368,000,000 bushels. North Africa is beginning to harvest a new crop, and reports indicate that North African crops will be about equal to those of the previous season. Fall and winter weather seems to indicate about average yields in Canada, which would produce a crop somewhat larger than that of 1929. European conditions are generally fair to good. Recent reports indicate that northern European countries may have better crops than last year. The Italian crop has made an excellent growth but may be unusually susceptible to injury from rust. Northern France is reported to be in very good condition but southern France has suffered from too much rain. Weather conditions in the next few weeks will determine whether the 1930 European harvest will be equal to or less than the 1929 harvest.

World stocks of old wheat, July 1, are likely to be quite large but somewhat smaller than a year ago. Stocks in the United States now seem likely to be as large as or larger than a year ago. Canada and Australia will also have on hand large stocks, but Argentine supplies will be reduced to a low level. The amount of wheat afloat and the stock in European and oriental ports will be only moderate.

PRICE INDEXES FOR APRIL, 1930

Farm products figures from this bureau; commodity groups from Bureau of Labor Statistics (latter shown to nearest whole number). Shows year ago and latest available month.

FARM PRODUCTS

[Prices at the farm; August, 1909-July, 1914=100]

Product	April, 1929	March, 1930	April, 1930	Month's trend
Cotton	149	111	119	Higher.
Corn	136	116	122	Do.
Wheat	113	104	106	Do.
Hay	104	92	92	Unchanged.
Potatoes	79	196	210	Higher.
Beef cattle	183	169	166	Lower.
Hogs	141	132	127	Do.
Eggs	107	99	100	Higher.
Butter	174	144	149	Do.
Wool	190	133	120	Lower.

COMMODITY GROUPS

[Wholesale prices; 1926=100]

Group	April, 1929	March, 1930	April, 1930	Month's trend
Farm products	105	95	96	Higher.
Foods	98	94	95	Do.
Hides and leather products	108	103	103	Unchanged.
Textile products	96	86	86	Do.
Fuel and lighting	81	77	78	Higher.
Metals and metal products	106	101	99	Lower.
Building materials	98	95	95	Unchanged.
Chemicals and drugs	95	91	91	Do.
House-furnishing goods	97	96	96	Do.
All commodities	97	91	91	Do.

GENERAL TREND OF PRICES AND WAGES

[1910-1914=100]

Year and month	Whole- sale prices for all com- modi- ties ¹	Indus- trial wages ²	Prices paid by farmers for commodities used in—			Farm wages	Taxes ³
			Living	Produc- tion	Living produc- tion		
1910	103		98	98	98	97	
1911	95		100	103	101	97	
1912	101		101	98	100	101	
1913	102		100	102	100	104	
1914	100		102	99	101	101	100
1915	103	101	107	103	106	102	102
1916	129	114	125	121	123	112	104
1917	180	129	148	152	150	140	106
1918	198	160	180	176	178	176	118
1919	210	185	214	192	205	206	130
1920	230	222	227	175	206	239	155
1921	150	203	165	142	156	150	217
1922	152	197	160	140	152	146	232
1923	156	214	161	142	153	166	246
1924	152	218	162	143	154	166	249
1925	162	223	165	149	159	168	250
1926	154	229	164	144	156	171	253
1927	149	231	161	144	154	170	258
1928	153	232	162	146	156	169	263
1929	151	236	160	146	155	170	
April:							
1921	150	206					
1922	145	190					
1923	162	213	163	142	154	148	
1924	151	218	162	142	154	163	
1925	159	218	166	150	160	163	
1926	154	227	164	144	156	166	
1927	147	230				166	
1928	152	227				166	
1929	152	237				167	
1929							
September	153	240	161	146	155		
October	151	237				174	
November	148	233					
December	148	234	160	145	154		
1930							
January	146	234				159	
February	144	231					
March	142	235					
April	142					162	

¹ Bureau of Labor Statistics. Index for 1928 obtained by multiplying new series by 156.6.

² Average weekly earnings, New York State factories. June, 1914=100.

³ Index of estimate of total taxes paid on all farm property, 1914=100.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August, 1909-July, 1914=100]

Year and month	Index numbers of farm prices							Prices paid by farmers for commodities bought ¹	Ratio of prices received to prices paid
	Grains	Fruits and vegetables	Meat animals	Dairy products	Poultry products	Cotton and cotton-seed	All groups 30 items		
1910-----	104	91	103	100	104	113	103	98	106
1911-----	96	106	87	97	91	101	95	101	93
1912-----	106	110	95	103	101	87	99	100	99
1913-----	92	92	108	100	101	97	100	100	99
1914-----	103	100	112	100	105	85	102	101	101
1915-----	120	83	104	98	103	78	100	106	95
1916-----	126	123	120	102	116	119	117	123	95
1917-----	217	202	173	125	157	187	176	150	118
1918-----	226	162	202	152	185	245	200	178	112
1919-----	231	189	206	173	206	247	209	205	102
1920-----	231	249	173	188	222	248	205	206	99
1921-----	112	148	108	148	161	101	116	156	75
1922-----	105	152	113	134	139	156	124	152	81
1923-----	114	136	106	148	145	216	135	153	88
1924-----	129	124	109	134	147	211	134	154	87
1925-----	156	160	139	137	161	177	147	159	92
1926-----	129	189	146	136	156	122	136	156	87
1927-----	128	155	139	138	141	128	131	154	85
1928-----	130	146	150	140	150	152	139	156	90
1929-----	121	136	156	140	159	145	138	155	89
April:									
1921-----	118	124	114	154	114	76	115	-----	-----
1922-----	114	190	117	131	110	135	123	-----	-----
1923-----	121	146	110	147	117	222	137	154	89
1924-----	113	128	106	134	105	226	130	154	85
1925-----	152	146	146	132	127	189	147	160	92
1926-----	131	253	146	133	133	135	140	156	90
1927-----	119	147	143	140	114	101	125	(154)	81
1928-----	144	179	142	139	121	154	140	(156)	90
1929-----	120	110	164	142	127	152	138	155	89
1929									
September--	131	160	156	139	165	146	141	155	91
October---	128	168	151	141	181	141	140	154	91
November--	118	159	144	142	200	132	136	154	88
December--	119	163	143	140	204	130	135	154	88
1930									
January---	118	167	146	135	178	128	134	² 154	² 87
February--	115	168	150	129	154	121	131	² 153	² 86
March---	107	169	151	126	115	113	126	² 153	² 82
April-----	110	187	146	126	117	120	127	² 153	² 83

¹ These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

² Preliminary.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, and sheep receipts at primary markets; butter receipts at five markets, compiled by this bureau.

Year and month	Receipts					
	Wheat <i>1,000 bushels</i>	Corn <i>1,000 bushels</i>	Hogs <i>1,000</i>	Cattle <i>1,000</i>	Sheep <i>1,000</i>	Butter <i>1,000 pounds</i>
Total—						
1920	332, 314	210, 332	42, 121	22, 197	23, 538	402, 755
1921	435, 606	340, 908	41, 101	19, 787	24, 168	468, 150
1922	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926	362, 876	234, 873	39, 772	23, 872	23, 868	572, 935
1927	455, 991	241, 245	41, 411	22, 763	23, 935	581, 592
1928	495, 450	335, 149	46, 527	21, 477	25, 597	578, 845
1929	437, 681	264, 934	43, 715	20, 387	26, 834	602, 665
April—						
1920	13, 781	10, 091	3, 024	1, 557	1, 466	23, 221
1921	23, 739	11, 192	3, 230	1, 494	1, 677	32, 361
1922	12, 544	13, 188	3, 067	1, 470	1, 227	34, 835
1923	21, 785	16, 836	4, 318	1, 670	1, 447	40, 464
1924	10, 374	17, 926	4, 374	1, 751	1, 348	43, 579
1925	10, 023	9, 810	3, 247	1, 827	1, 541	42, 141
1926	13, 458	12, 589	3, 135	1, 711	1, 502	45, 501
1927	13, 680	10, 445	3, 142	1, 674	1, 486	48, 279
1928	17, 483	19, 724	3, 483	1, 684	1, 591	44, 721
1929	16, 666	15, 152	3, 545	1, 748	2, 010	48, 707
1929						
May	17, 996	11, 249	3, 375	1, 653	2, 169	63, 259
June	23, 785	20, 818	3, 230	1, 443	1, 747	69, 511
July	88, 376	21, 120	3, 257	1, 659	2, 112	68, 104
August	97, 041	18, 414	2, 930	1, 616	2, 537	54, 885
September	45, 112	18, 664	3, 062	2, 099	3, 353	44, 500
October	34, 825	17, 863	3, 674	2, 401	4, 091	42, 963
November	19, 285	18, 692	3, 910	1, 939	2, 167	38, 228
December	21, 346	31, 376	4, 221	1, 551	1, 701	39, 843
1930						
January	16, 305	30, 779	4, 720	1, 639	1, 903	43, 507
February	19, 449	29, 156	3, 781	1, 326	1, 803	41, 014
March	15, 972	20, 145	3, 294	1, 547	2, 151	47, 179
April	13, 149	21, 812	3, 255	1, 644	2, 230	50, 595

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by division of statistical research of this bureau.

Year and month	Wheat, ¹ including flour	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard	Total ³ meats	Cotton ⁴ running bales
Total—	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 bales
1920—	311, 601	467, 662	821, 922	612, 250	1, 043, 500	6, 111
1921—	359, 021	515, 353	647, 680	868, 942	786, 280	6, 385
1922—	235, 307	430, 908	631, 452	766, 950	733, 832	6, 015
1923—	175, 190	474, 500	828, 890	1, 035, 382	958, 472	5, 224
1924—	241, 454	546, 555	637, 980	944, 095	729, 832	6, 653
1925—	138, 784	468, 471	467, 459	688, 829	547, 361	8, 362
1926—	193, 971	478, 773	351, 591	698, 961	428, 613	8, 916
1927—	228, 576	506, 252	237, 720	681, 303	302, 795	9, 199
1928—	151, 976	575, 408	248, 278	759, 722	315, 586	8, 546
1929—	154, 924	555, 326	275, 179	829, 124	360, 885	7, 422
April—						
1920—	13, 934	42, 386	39, 996	40, 758	65, 648	540
1921—	25, 120	43, 320	57, 778	53, 275	67, 658	315
1922—	10, 698	40, 190	43, 254	42, 459	48, 828	587
1923—	10, 428	40, 141	68, 528	85, 475	77, 963	257
1924—	8, 624	59, 019	57, 546	73, 307	64, 467	311
1925—	12, 912	30, 519	33, 413	44, 447	39, 303	440
1926—	6, 452	43, 388	31, 410	63, 160	37, 947	506
1927—	16, 138	35, 041	17, 844	67, 345	23, 922	825
1928—	7, 410	41, 215	22, 064	56, 554	28, 597	467
1929—	9, 151	39, 082	25, 062	59, 144	30, 748	448
1929						
May—	16, 128	32, 202	27, 106	64, 192	33, 915	313
June—	9, 003	28, 168	26, 895	67, 252	33, 903	299
July—	13, 784	23, 459	24, 647	64, 274	32, 352	238
August—	17, 338	40, 411	24, 743	55, 487	31, 764	226
September—	18, 568	54, 385	19, 425	58, 339	26, 229	726
October—	14, 926	77, 384	18, 151	70, 698	26, 520	1, 251
November—	15, 412	71, 422	24, 219	83, 257	31, 394	1, 049
December—	12, 428	65, 664	17, 404	80, 053	24, 057	910
1930						
January—	14, 073	46, 182	23, 702	73, 292	31, 978	729
February—	9, 535	56, 077	22, 520	65, 953	30, 855	402
March—	7, 321	53, 603	24, 281	66, 533	31, 766	478
April—	7, 438	42, 443	21, 257	50, 045	27, 767	350

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Includes fresh, canned, and pickled beef; bacon, hams, and shoulders; fresh, canned, and pickled pork; fresh mutton and lamb.

⁴ Excludes linters.

COLD-STORAGE SITUATION

[May 1 holdings; shows nearest million; i. e., 000,000 omitted]

Commodity	5-year average	Year ago	Month ago	May 1, 1930
Apples.....barrels.....	¹ 1,413	¹ 1,257	¹ 2,596	¹ 1,297
Frozen and preserved fruits.....pounds.....	30	41	39	32
Creamery butter.....do.....	7	6	31	23
Cream.....40-quart cans.....			¹ 116	¹ 123
American cheese.....pounds.....	33	42	42	39
Case eggs.....cases.....	¹ 4,515	¹ 3,952	¹ 2,231	¹ 5,751
Total poultry.....pounds.....	65	53	106	77
Total beef.....do.....	67	71	89	80
Total pork.....do.....	814	924	753	712
Lard.....do.....	141	185	105	105
Lamb and mutton, frozen.....do.....	2	3	5	5
Total meats.....do.....	954	1,085	933	881

¹ 3 figures omitted.

Cold-storage holdings of apples were reduced during April by the equivalent of 1,299,000 barrels which left 1,297,000 barrels on hand May 1. These stocks compared with 1,257,000 on hand May 1 a year ago. The 5-year average has been 1,413,000.

The out movement of creamery butter was 7,608,000 pounds. The movement for the same period a year ago was an into-storage one of 351,000 pounds. However, May 1 holdings were in excess of last year by 17,065,000 and in excess of the 5-year average by 15,809,000 pounds.

American cheese holdings were reduced by 2,579,000 pounds which placed stocks at 2,689,000 pounds less than at this date last year; but 6,049,000 in excess of the 5-year average.

Total stocks of all varieties of cheese were approximately 1,500,000 less than a year ago and something over 7,000,000 in excess of the 5-year average.

The into-storage case egg movement was 3,520,000 cases. This compares with the April, 1929, movement of 3,393,000. The 5-year average movement has been 3,390,000 cases.

Frozen-egg stocks increased by 27,383,000 pounds. The increase for the same period a year ago was 16,907,000 and the 5-year average 12,985,000 pounds. May 1 holdings exceeded those of last year by 25,309,000 and the 5-year average by 36,988,000 pounds.

Stocks of frozen poultry were reduced by 28,241,000 pounds leaving May 1 holdings 24,566,000 heavier than at this date last year. They were greater than the 5-year average by approximately 13,000,000 pounds.

Frozen and cured beef stocks were cut down by something over 8,000,000 pounds which left May 1 holdings in excess of a year ago by nearly 10,000,000 and the 5-year average by slightly over 13,000,000.

The reduction in frozen and cured pork stocks was about 40,500,000 pounds. May 1 holdings were less than those of a year ago by over 211,000,000 and less than the 5-year average by 102,000,000 pounds

There was a slight out-of-storage movement of lard during April. Normally, there is an increase of this commodity during this period. Stocks were below a year ago by approximately 80,000,000 and the 5-year average by about 36,500,000 pounds.

Wm. BROXTON,
Cold-Storage Report Section, B. A. E.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

Production, consumption, and movements	April, 1929	March, 1930	April, 1930	Month's trend
<i>Production</i>				
Pig iron, daily (thousand tons).	¹ 122	105	106	Increase.
Bituminous coal (million tons)	37	36	36	Unchanged.
Steel ingots (thousand long tons).	4,938	4,289	4,143	Decrease.
<i>Consumption</i>				
Cotton by mills (thousand bales).	632	509	532	Increase.
Unfilled orders, Steel Corporation (thousand tons).	4,428	4,571	4,354	Decrease.
Building contracts in 37 Northeastern States (million dollars).	¹ 642	459	483	Increase.
Hogs slaughtered (thousands)	2,258	1,853	1,980	Do.
Cattle slaughtered (thousands).	1,080	919	1,016	Do.
Sheep slaughtered (thousands)	1,049	1,210	1,278	Do.
<i>Movements</i>				
Bank clearings (New York) (billion dollars).	35	34	34	Unchanged.
Carloadings (thousands)	¹ 3,989	4,415	3,619	Decrease.
Mail-order sales (million dollars).	56	¹ 48	57	Increase.
Employees, New York State factories (thousands).	488	452	444	Decrease.
Average price 25 industrial stocks (dollars).	358	328	349	Increase.
Interest rate (4-6 months' paper, New York) (per cent).	6.00	4.25	3.88	Decrease.
Retail food price index (Department of Labor). ²	152	150	151	Increase.
Wholesale price index (Department of Labor). ³	97	91	91	Unchanged.

¹ Revised.

² 1913 = 100.

³ 1926 = 100.

Data on this page, excepting livestock slaughter and price indexes, are from the Survey of Current Business, Bureau of the Census, United States Department of Commerce.

MONTANA SUMMARY FOR 1929

A total farm value of about \$96,000,000 was disclosed by December 1 estimates of Montana's crop production in 1929. This figure compares with \$126,000,000 for 1928, \$156,000,000 for the record year of 1927, and the 1924-1928 average value of \$122,000,000.

The resulting cash income of Montana farmers in 1928 was about \$75,000,000 which suggests that the 1929 valuation for crops will show an income for the current year of about \$55,000,000.

Taking the livestock income for 1929, about equal to that of 1928 with the crop income as indicated, the total income of agriculture in Montana in 1929 will probably fall about 13 per cent below that of 1928 and only slightly lower than the average of the period 1924-1928.

A hot, dry summer sharply curtailed the 1929 production of non-irrigated crops generally and especially the grain crops. Higher prices than in 1928 failed in most cases to offset production declines, the principal exceptions being the hay, potato, and apple crops. Minor crops, including sugar beets, seed and canning peas, and alfalfa seed, largely because of increased acreage in 1929, show both larger production and greater farm value compared with 1928.

The most important decline in farm value came in case of the wheat crop which, despite a better price, was worth but \$38,000,000 in 1929, compared with \$65,000,000 in 1928. Since about 80 per cent of Montana farms grow wheat, the lower income from this crop will be rather generally distributed.

The 1929 season still found Montana farmers increasing their unit holdings of land and acreage cropped. Prior to 1925 cheap lands and favorable leasing terms encouraged such expansion and since that time power machinery in the way of tractors, cultivators, and combines have encouraged consolidations, especially in the dry-land wheat areas. The large bulk of this new equipment, having been acquired during the past three years, has probably been purchased from the proceeds of the big grain crops of 1927 and 1928. The poorer 1929 crop may be expected to curtail somewhat the demand for additional equipment of this type, at least until that time when the outlook for next year's crop may become an influence.

Sheep numbers in Montana have now reached their highest level since the war, and while the 1929 dry summer has resulted in heavier than usual marketings and in spite of sharply lower prices for wool during the past season, together with somewhat lower lamb prices, there has not been apparently any marked reduction of breeding stock.

Cattle numbers were still declining slightly at the opening of the year, but have now reached a point where a rather general restocking of holdings may be expected. Apparently cattlemen did not carry out August intentions as to fall marketings and in many instances have evidently bought winter feed to carry through breeding stock.

Hog, dairy, and poultry holdings have been increasing slowly in Montana during the past five years and apparently finding a satisfactory outlet for their market products.

JAY G. DIAMOND.

WORLD WHEAT ACREAGE IN 1930

The 1930 wheat acreage in 18 countries from which estimates have been received totals 129,798,000 acres, or 2.1 per cent below the 132,527,000 acres in the same countries in 1929.

Russia.—The acreage seeded to spring wheat in the Union of Socialist Soviet Republics up to May 15 was 35,600,000 acres, or only 60 per cent of the intended acreage and 22,900,000 acres below the total spring wheat acreage sown in 1929. The period in which wheat may be seeded is practically at a close. According to official sources, May 23 is the average date for the completion of the spring seeding in Siberia, which represents about 20 per cent of the spring wheat acreage and where seeding is carried on later than in other important regions. The total acreage sown to all spring grains up to May 15 was 124,300,000 acres, of which 33,400,000 acres were sown to barley and oats.

Southern Hemisphere.—The 1930 wheat acreage in Australia and Argentina is being seeded under more favorable conditions than a year ago, according to cabled reports from the International Institute of Agriculture. A record acreage is anticipated in Australia. Sowings in Argentina are going forward fairly well and work on the land has been assisted by good rains. In some regions, however, there are complaints of too much moisture.

FOREIGN GROWING CONDITIONS

Low temperatures and rains continued in the greater part of Europe during the week ended May 22, according to a cable to the Foreign Service of the Bureau of Agricultural Economics from Agricultural Commissioner L. V. Steere at Berlin. Heavy local downpours were again reported in Italy, but only light rains fell in France. Recent weather conditions in Italy, particularly in southern Italy, have been unfavorable to the wheat crop, and private estimates of the crop are around 220,000,000 bushels against 261,000,000 bushels harvested in 1929. Although the private estimates may be too low, they give a general indication of the deterioration of the crop during the past few weeks as early condition reports had pointed toward a record crop.

The outlook in France is also below last year and there are complaints of too much moisture, weeds and rust, and in some places the plants are losing color. Reports from Germany and other central European countries and the Balkans continue favorable. The official report from Hungary dated May 17 stated that the condition of the wheat crop is good aside from some slight local insect damage. The condition of the rye crop is average to good. (From Foreign Service, B. A. E., issued May 26, 1930.)